

cc: JD
LB
AE



Handwritten initials and a circled 'G'.

August 9, 1993

To: M. A. Belniak F. L. Maney
G. B. Brown J. L. Merusi
J. H. Casey J. A. Miller
G. R. Deschenes L. M. O'Connor
T. J. Fitzin R. J. O'Rourke
J. C. Gresty G. M. Richardson
S. C. Grossberg A. P. Scott
L. S. Justo R. F. Segelke
D. W. Keeney C. M. Uffindell
D. T. Walsh

Subject: 7- Eleven - Corporate Price Strategy

The following outlines the *Corporate 7-Eleven* strategy relevant to the price roll back.

George

George H. Moulton

GHM/pk
att.

cc: R. C. Farmer E. M. McAtee
R. F. Kane P. E. Schmidt
B. G. Norman M. A. Young

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R. J. Reynolds

Tobacco Company

H. E. YOUNG
Sr. Chain Accounts Manager

11901 Forestgate Drive
Dallas, TX 75243
214 / 644-2289
Fax : 214 / 644-8807

9 August 1993

TO ALL SOUTHLAND CORPORATE CAM'S / D/M's

SUBJECT : **SOUTHLAND CORPORATE PRICE ROLLOBACK
STRATEGIES**

Ladies and Gentlemen,

Information listed below has been received from Southland
Corporate Headquarters relative to their price rollback plans :

Strategies :

- Corporate stores will maintain \$4.00 / \$.40 Marlboro the week of August 9 - 15, 1993. On August 16, 1993, 7-Eleven will roll back all Philip Morris brands to reflect the new pricing structure. All other company's brands will be rolled back on August 23, 1993.
- Franchise stores will make decisions on an individual basis depending on inventory levels.

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Tactics :

- 7-Eleven Corporate will use their Philip Morris "flex fund" to continue the Marlboro \$ 4.00 / \$.40 reduction during the week of August 9, 1993. Other company's brands will be at the current higher price.
- 7-Eleven Corporate Division will then execute Philip Morris' roll back program on August 16, 1993, creating two tiers with Philip Morris brands at a lower price than all other companies for one additional week.
- August 23, 1993 - 7-Eleven will roll back all company's brands to reflect the new pricing.

Comments :

7-Eleven Corporate will try to capitalize on Philip Morris' "flex fund" to gain a competitive advantage in the marketplace. You should implement our strategies as outlined recently in your Regional meetings. If I receive any changes to the above information, I will advise.

Sincerely,
Herman
H. E. Young

/cn

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